FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 165

24 August 1978

ARGENTINA

Border Talks With Chile Delayed for 3 Weeks — B 1 1/A5
Videla Interviewed on Domestic Issues, Border Problems — B 1 1/A5

BOLIVIA

Opposition Parties Support Dialog, Immediate Elections [PRESENCIA 19 Aug] — C 1 1/A6
PRESENCIA Editorial [20 Aug] — C 2 1/A7
La Paz Students To Strike Against Police Action — C 3 1/A8

BRAZIL

Presidency Spokesman Denies Knowledge of New Pact with U.S. [O GLOBO 23 Aug] — D 1 1/A9
Figueiredo Opens Campaign With News Conference [JORNAL DO BRASIL 22 Aug] — D 1 1/A9
Bentes Monteiro, Brossard Named MDB Candidates — D 2 1/A10
British Ambassador Says Uranium Agreement Near — D 2 1/A10

CHILE

Pinochet Notes Military Support, Improved Chilean Image — E 1 1/A11
Retired Officer Criticizes Regime, Cites Social Problems — E 2 1/A12
Mining Talks Continue; Minister Hospitalized — E 3 1/A13
Bishop Appeals Six Cases of Missing Persons — E 3 1/A13

PARAGUAY

Febrerist Official Detained, Warned of Activities [ABC COLOR 23 Aug] — H 1 1/A14
Radical Liberal Party Calls for Release of Prisoners [EL RADICAL 23 Aug] — H 1 1/A14
Liberal Party Stresses Cooperation With Government [SEMANA LIBERAL 13-19 Aug] — H 2 1/B1
SEMANA LIBERAL Faults Carter's Human Rights Policy [13-19 Aug] — H 3 1/B2
Third Under Secretary Appointed in Foreign Ministry — H 4 1/B3

PERU

President Morales To Participate in Strike Negotiations — J 1 1/B4
Some Miners Return to Work — J 1 1/B4
Strike Leaders Arrested — J 1 1/B4
Briefs: Zinc Refinery Production — J 1 1/B4

VENEZUELA

Government Issues Communique on Nicaraguan Situation — L 1 1/B5
Andean Pact Proposal Opposed by Private Industrialists — L 1 1/B5
Trade Institute Official Defends Role of Transnationals [EL NACIONAL 16 Aug] — L 2 1/B6
Minister Says Dependence on Oil Revenue Diminishing [EL UNIVERSAL 15 Aug] — L 2 1/B6

MEXICO

Foreign Secretariat Denies Receiving Sandinist Request M 1 1/B7
Jerusalem Radio Reports Terrorist Jimenez Killed M 1 1/B7
PCM Denounces Police Actions, Denies Jimenez Death M 1 1/B7
Briefs: PRC Agricultural Mission M 1 1/B7

PANAMA

Panama Willing To Receive Sandinists, Political Prisoners N 1 1/B8
Planes Leave for Nicaragua N 1 1/B8
Justo Rieal's PLN Advises Torrijos on New Party N 1 1/B8
Royo Comments on Objectives of Political Parties Commission N 2 1/B9
Parties Willing to Cooperate N 2 1/B9

CENTRAL AMERICA

COSTA RICA

Carazo Will Not Attend CACM Meeting in Guatemala P 1 1/B13

EL SALVADOR

ERP Claims Responsibility for Kidnaping Grower P 1 1/B13
Government Rejects Guerrilla Manifesto Publication P 1 1/B13

NICARAGUA

Siege at National Palace Nearly Over P 2 1/B14
Somoza Agrees to Demands P 2 1/B14
Sandinists Issue 'War Communique' P 3 1/C1
Cero Reduces Ransom Demand P 5 1/C3
Government Allows Communique Broadcast P 5 1/C3
Casualties Reported P 5 1/C3
Links to Castro Charged P 5 1/C3
Cuban Aid Denied P 5 1/C3
FSLN Leader Tentatively Identified P 6 1/C4
Third Leader Possibly Identified P 6 1/C4
Opposition Leaders Reportedly Arrested P 6 1/C4
Police Disperse Student Demonstrations P 7 1/C5
Hospital Strike Continues P 7 1/C5

Briefs: Nicaraguan Oil Imports P 7 1/C5

DOMINICAN REPUBLIC

Juan Bosch Denounces U.S. Interference, Manipulation R 1 1/C6
Guzman Announces 'Important' Post for MIDA Leader R 1 1/C6
Williams Named as New Foreign Under Secretary R 1 1/C6
PRD Members Uneasy Over Guzman Appointments for Relatives R 1 1/C6
Campaign To Remove Military From Politics Begins R 2 1/C7

GUYANA

Ruling Party Continues Talks on National Economy [SUNDAY CHRONICLE 13 Aug] T 1 1/C8

Item 856-B-5 P-Ex 7.10. FBIS-LAT-78-165

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BORDER TALKS WITH CHILE DELAYED FOR 3 WEEKS

PY231329Y Buenos Aires Domestic Service in Spanish 1030 GMT 23 Aug 78 PY

[Excerpt] Santa Fe, Argentina--Brig Gen Ricardo Etcheverry Boneo, president of the Argentine delegation to the Joint Argentine-Chilean Commission No 2, has issued a statement to the local press. He stated that for 3 weeks each delegation will thoroughly study what was discussed on 15 August in Buenos Aires, and that if they believe independently that a new date for talks can be established before schedule, they will do so.

VIDELA INTERVIEWED ON DOMESTIC ISSUES, BORDER PROBLEMS

PY240124Y Buenos Aires TELAM in Spanish 2015 GMT 23 Aug 78 PY

[Press conference held by President Jorge Rafael Videla at the State Government House in San Salvador, Jujuy Province, on 23 August]

[Excerpts] The president was asked if the second stage of the national reorganization process includes the transfer of some ministerial positions or governorships from military to civilian hands within a medium span of time.

Videla answered: "Our goal is a full, strong, stable and modern democracy which would truly strenthen our federal and republican principles adapted to the present situation. We have to continue fulfilling stages from the starting point to that finish line without oversights and without impatience. It is possible that there will not be a massive incorporation of civilians during this phase since we believe that this should be the result of voluntary participation based precisely on an opening for constructive dialog."

The president stated the following with regard to the dispute in the southern region:

"We have tried to deal with this conflict through negotiation. In the true sense of the word, negotiation does not mean negotiating the country. It does not mean yielding what is impossible to yield, such as our national sovereignty. However, it is a rational attempt to assert our rights, which we believe were trampled upon by an unjust ruling to which our country will not adhere and which our country rejects because we consider it abusive. I repeat, we are seeking the solution through rational means, which does not mean renouncing something as sacred as sovereignty. Let us hope that reason will once again dominate over everything else. As long as there is reason there can be a just, peaceful and adequate solution which would allow us to live together harmoniously, respecting the individuality of each nation, and united toward one single objective: a strong America, a free America and a united America."

With regard to the Malvinas Islands issue, he stated that the talks have not progressed as rapidly as was hoped. But they are progressing since there are also negotiations underway with England with regard to the reincorporation of this territory into our sovereignty."

He was also asked whether the implementation of the national plan for the new republic continues in force. Videla answered yes with regard to this, because by "continuing" we understand surviving. If by "continuing" we understand continued progress in its improvement, then I would say no.

OPPOSITION PARTIES SUPPORT DIALOG, IMMEDIATE ELECTIONS

PY231522Y La Paz PRESENCIA in Spanish 19 Aug 78 p 8 PY

[Text] The political parties agree that elections must be called immediately. Based on this position, the elections are viewed as crucial national issues. The Democratic and Popular Unity Front [FUDP], the Christian Democratic Party [PDC] and the Bolivian Socialist Falange [FSB] have promised to participate in a dialog with the government regarding the basis on which a commission to revise the electoral law would act.

While the FUDP believes that a dialog is part of an official strategy to gain time and announces that Hernan Siles Zuazo will be the FUDP candidate, the PDC believes that discussion of a parties law is the responsibility of the legislative branch. The FSB, more radical than the other parties, asserts that the electoral law was prepared by the former government's which frustrated the people's expectations.

A FUDP communique decries "maneuvers implemented by officialism to postpone elections" and demands that an election date be set as soon as possible. It adds that the "government is seeking to lull the citizens' awareness so that it can retain its usurped power indefinitely" and that annulment of "unpopular legal provisions: and the promise of a dialog with the opposition are part of a government strategy to gain time and "restructure the official front."

When proposing the immediate call for elections, the FUDP announces that Hernan Siles Zuazo will be FUDP candidate in the future elections.

Carlos Barbery, national executive delegate of the FSB of Mario Gutierrez, mentions, on behalf of the FSB, the 6 August presidential message which announced that elections will not be held in the near future because some points of the electoral law must be studied. He maintains that public opinion must not be confused with groundless arguments and asserts that the electoral law issued on 30 April 1965 with the revisions of decree No 7,490 of 28 January 1976 "is the result of a thorough study carried out by a special commission" and that "it reflects the thinking of the various political parties which, at that time, unanimously expressed their points of view."

He indicates that the electoral law provides for the use of multicolor and multisymbol ballots, that it admits equal representation of parties in congress through the proportional quotient system, and that it includes provisions to allow development of an electoral process that meet current requirements. He also points out that the 1967 Constitution specifically provides the eligibility requirements for president, vice president, senators and deputies and forbids the reelection of the first two positions until 4 years after the end of their terms.

Valverde [Carlos Valverde, an FSB leader] stated that Bolivia's laws allow an immediate call for elections and that "the argument that a new commission must be formed to make changes in the electoral law is not valid or acceptable." He also indicates that decrees Nos 7,490 7,633, 15,160, 15,237, 15,305 and 15,306 have distorted the electoral law to prevent real and effective party participation and ignore the political forces that place third or lower, disregarding the proportional representation they have achieved.

He concludes by demanding application of this electoral law and maintains that the intention to hold power by force is illegal.

The PDC, in a statement made by President Benjamin Miguel, repeats that it is willing to hold a dialog and indicates that the interior minister's announcement of an electoral commission confuses the public, since its establishment must result from a dialog between parties and the government. It adds that the PDC, although willing to accept a dialog, has not agreed to participate in commissions.

The PDC also indicates that the discussion of a parties law is the responsibility of the legislative branch and not of an ad hoc commission.

The national leadership of the Liberal Party [PL] has announced that the PL will issue a statement following a review of the political situation. The PL stated that once the dialog is accepted, it will issue a statement supporting the holding of elections on the first Sunday of May 1979, with presidential inauguration on 6 August 1979.

The National Revolutionary Movement-Authentic Revolutionary Party [MNR-PRA] alliance, stating that a serious public dialog between the government and opposition parties must be held immediately without conditions, denies that it has accepted a role in the working commission. It is concerned that a lack of seriousness could turn this dialog into a simple system of steps to delay calling elections immediately.

Through a statement issued by the Executive Secretariat, the MNR denies a rumor that Victor Paz Estenssoro sent a letter to the president or other state officials. It also denies that party officials sent a letter to the executive branch and warns that anyone who asserts this will be refuted and taken before an honor court, charged with disloyalty.

Former Mining Minister Eduardo Mendez Pereyra has also asked that elections be called immediately. He believes that the 2-year term "elicits serious doubts regarding implementation and clean elections." Saying that "the popular will is mocked" by the 9 July elections, he states that "the people have a right to demand immediate reparation."

He asserted that he is not a member of any party and called himself "a man of the left," specifying that he is not Marxist but a nationalist and revolutionary and that he supports the FUDP and its candidate.

PRESENCIA Editorial

PY231337Y La Paz PRESENCIA in Spanish 20 Aug 78 p 3 PY

[Editorial: "The Call for Elections"]

[Text] There are several topics on which we all agree, even those who can hardly be considered partisans of Western democracy.

One is that we must return to a fully institutional way of life and that this can be achieved only through honest and clean elections. These elections are accepted by all as one of the conditions to prevent a lapse into the traditional and destructive cycle of conspiracies and repression. Although some politicians are still unable to modernize their communiques and propaganda in general, almost everyone realizes that during the latest, though aborted, elections the people clearly indicated that they want legal order and peace within the framework of a law respected by all, and that violence and deceit must be abandoned.

The government and the opposition seem to agree--at least in their public statements--that the elections must be held as soon as possible.

However, they disagree on the shortest time possible: Some believe that 6 months will be enough, and others believe it should be 2 years.

This basic disagreement cannot be overcome through violent communiques or threats. There should be a way to open a dialog which does not have to last too long. This is even more necessary if we consider that even the opposition does not seem able to reach total agreement.

Agreement must be reached concerning the electoral law. This should not take too long. Apparently, all that is needed is to restore the original electoral law and abrogate temporary decrees that were baselessly implemented again during the latest elections despite criticism. Something will have to be done about the multicolored multiparty ballots because if party dissension persists, efforts will have to be made to prevent the ballots from becoming a source of confusion and protracted discussion regarding specific cases. We must discuss--if only to submit the case to congress--whether there will be a political parties law or whether things will continue as before, and whether the call for elections will be to elect a regular congress or a constituent assembly.

It seems that all these topics could be discussed and solved without great difficulty or delay.

Other subjects, equally urgent, will be more difficult to solve: For example, the creation of new voting places. The previous government was heavily criticized because it seemed to be creating ghost citizens, but it is obvious that in the 12 years since the last elections there have been population changes that must be considered. At the same time, and in view of past events, a systematic cleanup of voting registers is necessary, especially in certain areas.

We believe that if there is good will, if we all believe that agreement on essential topics is possible, we must hold a constructive dialog to solve problems like those we have mentioned. Should open-mindedness prevail, solutions should be forthcoming.

Only after majority agreements will it be possible to call elections on firm grounds. Otherwise, continued discussions will hamper, rather than facilitate, our return to democratic institutionality.

LA PAZ STUDENTS TO STRIKE AGAINST POLICE ACTION

FY221425Y La Paz Radio Fidez in Spanish 1130 GMT 22 Aug 78 FY

[Text] The secondary students of La Paz will hold a strike today to protest the attitude of the police, who they say attacked a group of students. They also declared a state of emergency until police authorities clear up the events of last Friday.

They maintain that they were suppressed and that their belongings, such as watches and rings, were taken by the police. They also request medical attention for their leader, (Adrian Ramirez), who was wounded by the police, according to the students.

PRESIDENCY SPOKESMAN DENIES KNOWLEDGE OF NEW PACT WITH U.S.

PY240339Y Rio de Janeiro O GLOBO in Portuguese 23 Aug 78 p 9 PY

[Text] Brasilia (O GLOBO)--Col Ruben Ludwig, official spokesman for the Presidency, stated yesterday th. he knows nothing about the negotiation of a new military agreement between Brazil and the United States, stressing that this is the first time he has heard anything about the subject.

Asked if the visit of U.S. State Department adviser Tom Reston to Brazil would be related to those negotiations, Ludwig said that judging from the reports he has, the U.S. delegate "is coming only to participate in a seminar at the University of Brasilia."

"In addition, an invitation was extended through the U.S. Embassy to the various press advisers of government organizations to have lunch with Reston. Itamaraty advisers, military officers and I were also invited."

Colonel Ludwig said in conclusion that he is not aware of "any connection between Reston and the possibility of negotiating a new military agreement with the United States or any intention of the Brazilian Government in this regard."

FIGUEIREDO OPENS CAMPAIGN WITH NEWS CONFERENCE

PY232154Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 22 Aug 78 p 3 PY

[Figueiredo press conference in President Prudente, Sao Paulo State, on 21 August at the opening of the presidential campaign]

[Text] [Question] Did you come to reinforce the position of the National Renewal Alliance?

[Answer] I came to help in whatever way I can.

[Question] A Sao Paulo poll says there are two votes for the Brazilian Democratic Movement, one for ARENA and one undecided. Do you believe this?

[Answer] I know the people of Sao Paulo well.

[Question] Are you concerned about your election campaign or about your election?

[Answer] I am concerned about my government.

[Question] What about Senator Magalhaes Pinto's support for your candidacy?

[Answer] That is Senator Magalhaes Pinto's problem.

[Question] How would you receive such support if it should come about?

[Answer] As I always have. Very well. I was always a friend of his and his cooperation will be valuable. I do not make any exceptions.

[Question] How do you view Deputy Faria Lima's statement that there is widespread corruption in the country since you were director of the National Intelligence Service for many years?

[Answer] I suggested that Deputy Faria Lima take over the SNI. He knows more about corruption than I do.

[Question] How do you see General Euler Bentes's candidacy?

[Answer] I don't see it. He is the one who should see it. I am looking after my own.

[Question] Could he be successful, general?

[Answer] I don't know.

[Question] Do you claim a defeat for General Euler?

[Answer] I not only claim it, since he is already defeated.

[Question] That candidacy does not alarm you?

[Answer] It does not alarm me.

[Question] What would you implement in this country, a full or a relative democracy?

[Answer] That which I believe is democracy for us.

[Question] How do you see the Brazilian political situation?

[Answer] We are now experiencing a time of complete freedom. Each one does what he pleases. There are two candidates for the nation's presidency. This is what I see. Didn't you want democracy?

[Question] There is a movement in Sao Paulo to collect 1 million signatures against the rise in the cost of living. Would you sign it?

[Answer] I don't want any movement, I want a formula to lower the cost of living. This business of organizing movements like this is very easy. It is very easy to criticize and to sign documents. Have them send me the formula to lower the cost of living and I'll accept it.

[Question] But won't you have that formula during your government?

[Answer] I am not a prophet, my son. I will do everything possible, but I don't have a miracle formula.

BENTES MONTEIRO, BROSSARD NAMED MDB CANDIDATES

PY232030Y Paris AFP in Spanish 2018 GMT 23 Aug 78 PY

[Text] Brasilia, 23 Aug (AFP)--Gen Euler Bentes Monteiro (ret) and Senator Paulo Brossard were nominated here today as candidates for president and vice president by the Brazilian Democratic Movement, the only Brazilian opposition party. This decision was made at the MDB national convention, after the decision was made to participate in the indirect presidential elections to be held here on 15 October. Gen Euler Bentes Monteiro, who will have to run against the official candidate, Gen Joao Baptista de Figueiredo, was nominated as MDB candidate by 352 votes in favor, 107 blank and 25 void votes.

BRITISH AMBASSADOR SAYS URANIUM AGREEMENT NEAR

PY231445Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 23 Aug 78 PY

[Text] Brasilia--The agreement for the supply of uranium for the Brazilian nuclear plants Angra 2 and 3 by the international consortium Urenco will be signed soon, British Ambassador to Brazil Norman Stathan said pointing out that there are no misunderstandings among the members of the consortium regarding the signing of the document. He said that only technical problems remain to be solved.

PINOCHET NOTES MILITARY SUPPORT, IMPROVED CHILEAN IMAGE

PY232120Y Santiago Chile Domestic Service in Spanish 1730 GMT 23 Aug 78 PY

[Text] After receiving greetings and congratulations at his residence and at the defense ministry, President Augusto Pinochet arrived at the government house where he was greeted by high ranking government officials.

A few minutes after noon today, President Augusto Pinochet also held an extensive and interesting press conference with journalists accredited to government house after the journalists congratulated him on his fifth anniversary as commander in chief of the government.

In his talk, the president answered all types of questions on both national and international issues.

Asked whether he continues to have the support of the army as he did on 23 August 1973, General Pinochet said that he not only has the complete support of the army but also of all the armed and police forces. He added: [Words indistinct] because on that date, 23 August 1973, there were still doubts, whereas today the army is completely united. If you [words indistinct] never forget that the army is comprised of Chileans who are doing their best. Despite this, however, it is always being criticized. The staff of commanders, officers, noncommissioned officers and recruits, whom I deeply appreciate, are all willing to (?help) their president and commander in chief by supporting my efforts with great [word indistinct]. I believe that their loyalty is the most important thing that prompts me to continue working for [word indistinct], but there are others who support me, also.

Asked about a forthcoming meeting with Peruvian President Morales Bermudez, General Pinochet noted that he was quite surprised by this news. First of all, he said, because I did not know he wanted to hold a meeting with me. But he will always be welcome whenever he wishes to do so. If he is interested in holding a meeting, I will be honored, but so far there have been no negotiations at the foreign ministry level. Pinochet said: We always have our doors open to welcome our brothers, but for the time being there is nothing in this.

The journalists asked him later whether it is true that he is personally evaluating the situation with Argentina, as reported by the news media. The president answered: No, I am not. After the last meeting, at which it seems no agreement was achieved because a problem was submitted which was not accepted by the Chilean delegation. This issue is under investigation. According to information I received, they completely deviated from the issues we were discussing. Therefore, we are now evaluating the progress that was achieved. This is what is being done now so that we will be able to resume negotiations within 15 days at the commission level.

Asked whether it was a fact that these negotiations would resume, Pinochet answered: yes, but as you know there are many unforeseen situations. He was also asked whether these negotiations would resume without any change in Chile's attitude. He said: We have no reason to change our attitude. We do not have any problems, except for the maritime issue. If Argentina has other issues of interest these should be studied. But we do not have any problem.

The journalists noted the importance of an improvement in Chile's international image in the last few months. Pinochet said: I believe Chile's image has improved, although we know quite well that when we mention this fact our Marxist enemies immediately resume their campaign against Chile.

Nevertheless, an overall view of the world situation shows slight improvement. I know that the Marxist campaign will continue, this is precisely where their strength lies. But I never tire either.

The journalists noted that a U.S. adviser recently arrived in Chile to study a plan to improve Chile's (?international) image. Could you give us more information on this? He answered that he had studied a [words indistinct] of Chile and that all references are held by the government general secretariat.

Regarding problems with the copper workers, the president noted that this issue is handled by the labor and mines ministries and that according to his information, all dismissals are frozen until the courts issue a decision.

Asked whether there will be an important announcement in his 11 September message, Pinochet said that there are several announcements, but he declined to give details.

Regarding a law on missing persons that is under study by legislative commission No 2, Pinochet noted that he had sent this draft law to the commission (?30) days ago to prevent [word indistinct] the situation of these alleged missing persons--who, he said, are perhaps alive--and to enable their relatives in Chile to collect their insurance, sell properties and resolve their situation, because this is a crucial matter for them. According to the president, this draft law shortens the waiting period before death can be presumed and establishes other similar measures.

Moreover, Pinochet reiterated that the draft law on teaching careers will be ready in September.

Regarding the study of the new constitution, the president said he had already started this study but that there will be no immediate news. He noted: (?As usual), people want to speed up things. There will be a plebiscite, but only after all stages of study have been completed. Asked about the length of this stage, the president stated: It is quite difficult to establish an exact date, but it could take from 6 months to 1 year--maybe less, maybe more. I have never established a deadline for myself or for anybody else except when I [word indistinct].

According to President Pinochet, the study of the constitution that was submitted to him by the Ortuzar Commission [constitutional reform commission headed by Enrique Ortuzar Escobar] closely follows the guidelines he submitted to it last November. Finally, he noted that whenever this plebiscite is held, citizens will have the opportunity to study it.

RETIRED OFFICER CRITICIZES REGIME, CITES SOCIAL PROBLEMS

PY231920Y Paris AFP in Spanish 1555 GMT 23 Aug 78 PY

[Text] Santiago, Chile, 23 Aug--Chilean Gen Nicanor Diaz Estrada (Ret) today criticized the military government of President Augusto Pinochet, which he called a regime of the extreme right.

The retired officer, who was the chief of National Defense General Staff until last month, stated that the present Chilean situation presents characteristics similar to those existing when Salvador Allende's civil government was overthrown.

Diaz Estrada is one of the 19 Chilean Air Force [FACH] generals who left active service when Gen Gustavo Leigh, member of the government junta and chief of military aviation, was dismissed.

Diaz Estrada's statement, the first public reaction by these officers since they retired, was reported today in interviews by the weekly HOY and Radio Cooperativa.

We have passed from a regime of the extreme left to one of the extreme right, General Diaz Estrada, 57, told Radio Cooperativa of Santiago.

As a former labor minister--a position that he held after the September 1973 military uprising--he said that labor sectors are facing serious problems.

He stated: For a long time in Chile there have been people who can eat only once or twice a week. In villages and mining camps, family meals are often just a cup of tea and some bread.

In his interview with the independent weekly HOY, Diaz Estrada warned that this economic policy can return Marxism to Chile.

Regarding General Leigh, who was dismissed because of disagreements with other members of the government junta, Diaz Estrada said that the dismissal was illegal.

There is a strange similarity between this measure and those adopted in the USSR against dissidents, he said.

The former minister stated: The best evidence that you cannot disagree in Chile is what happened to Leigh. He concluded by asking: What, then, is the future of Chileans?

After 5 years, we can see no progress in national unification, but that those who were bad became good and vice versa, General Diaz Estrada added.

MINING TALKS CONTINUE; MINISTER HOSPITALIZED

PY221523Y Buenos Aires TELAM in Spanish 0703 GMT 22 Aug 78 PY

[Text] Santiago, Chile, 22 Aug--The conflict that began 24 days ago in the Chuquicamata copper mine is still unresolved. While the so-called boycott on meals continued as a sign of the workers' request for economic improvement, talks on the issue were resumed at the Labor Ministry. Meanwhile, Mining Minister Enrique Valenzuela underwent an operation this morning at the Santa Maria Clinic for a perforated ulcer which caused him to enter the hospital on Saturday. The clinic reported that Valenzuela underwent an operation at 1030 by the director of the clinic, Dr Enrique Duval, and that the patient is under observation.

BISHOP APPEALS SIX CASES OF MISSING PERSONS

PY221549Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 22 Aug 78 PY

[Text] The bishop of Copiapo, Msgr Fernando Ariztia, has made a request to Interior Minister Sergio Fernandez regarding six persons from his diocese who have been arrested and disappeared. His letter to Fernandez states: I put in your hands the painful anguish and uncertainty of these families of our country and I do it in the belief that I will get a prompt and satisfactory answer as a demonstration of real fraternal reconciliation between Chileans.

The bishop indicated that he was making this petition in accordance with the interior minister's remarks of 15 July 1978, in which he indicated that the government will investigate a serious petition about a particular case.

FEBRERIST OFFICIAL DETAINED, WARNED OF ACTIVITIES

PY231450Y Asuncion ABC COLOR in Spanish 23 Aug 78 p 49 PY

[Text] Humberto Perez Caceres, secretary of doctrine and propaganda of the Febrerist Revolutionary Party (PRF), has been detained for more than 6 hours by the technical department of the police. He said he was "warned" about his "contacts in Argentina."

The PRF leader told this newspaper that while he was returning to his home from PRF headquarters, three civilians approached him near his house. One of them showed him his police credentials and invited him to come with them. It was 1230.

He was taken to the police technical department at Chile and Ibanez del Campo streets where he was detained for 6 hours. At 1830 he was interviewed by the same person who arrested him, policeman Saldivar, who warned him that from now on he will be closely watched "because the government believes your activities are dangerous." What activities are you referring to, Perez Caceres reportedly asked and, according to Perez, the policeman answered: "Your contacts in Argentina."

The PRF leader said that he has no contacts in Argentina and that his activities in support of a national agreement between opposition political parties are open.

RADICAL LIBERAL PARTY CALLS FOR RELEASE OF PRISONERS

PY240026Y Asuncion EL RADICAL in Spanish 23 Aug 78 p 1 PY

[Text of communique released by PLR Press and Propaganda Department]

[Text] The Press and Propaganda Department of the Radical Liberal Party releases the following communique to the Paraguayan people:

1. The situation of the 17 political prisoners in Emboscada and of others in the third, fourth and seventh police precincts who are on hunger strike to demand their freedom is very critical.

2. Since the first day of their hunger strike they have been totally incommunicado. No one is allowed to see them, not even from a distance.

3. In view of the drastic decisions they have made and the precarious conditions they are experiencing, the lives of 20 compatriots are in danger.

4. In view of this situation in which a humane spirit must prevail above all other considerations, the PLR Press and Propaganda Department appeals to the consciences of the national government, the armed forces, the peasants and workers in general, the political parties, the Catholic, Orthodox, Protestant and Anglican churches, and the Paraguayan youth to join forces and adhere to the great objective of the moment: the freeom of all political prisoners aimed at achieving the real peace and justice the nation demands.

5. This attitude will ennoble and dignify all the people who have always shown solidarity with the country and the citizenry at crucial times.

Asuncion, 21 August 1978.

Ligia Prieto de Centurion, director of the PLR Press and Propaganda Department.

LIBERAL PARTY STRESSES COOPERATION WITH GOVERNMENT

PY2317IOY Asuncion SEMANA LIBERAL IN SPANISH 13-19 Aug 78 p 5 PY

[Statement to the people of Paraguay by the Liberal Party]

[Excerpts] At the start of another constitutional period, the party fulfills its duty to address the people so they can receive its guiding message filled with patriotic fervor and confidence in the spiritual qualities of Paraguayans to overcome the obstacles between the glorious present and a future of greatness.

The president now has the difficult but gratifying task of governing not only for members of the Colorado Party and for Paraguayans, but also for history. He has the privilege of choosing and the possibility of counting on the support of everyone for this noble and enduring purpose.

At the same time we Liberals have the unavoidable obligation to join efforts and wills in order not to be left behind by history--to restore institutional structures to their greatness and strength by placing our patriotism before party interests and by participating once again in fully establishing a legal state.

In the permanent struggle between freedom and order, we acknowledge our fervor for freedom, but we recognize that freedom dies without order. In view of this fact, we do not believe in the sponsors of violent change or revolutionary transformation. Every type of excess is nearly always harmful.

Some will say that ours is a "bourgeoisie morality," but it is undoubtedly preferable to the lack of morality of extremism as an ideology and conduct. With these principles, with this political morality and with these objectives, we call upon the Liberal leaders and population to put aside their disagreements and give the fatherland the benefit of broader Liberal participation in the country's management.

The government must listen to the opposition's just demands, allowing it to participate at various levels, such as in the judicial branch, in independent entities, education, health and public administration.

Naturally this merely restores part of the now-idle resources which are necessary for future development. We do not demand leaps, but progressive assimilation of change. We understand the difficulties which have to be overcome and we are willing to put a brake on all impatience in the hope that both in the Liberal and Colorado parties there are men of good will who wish to preserve democracy and guarantee the future of a free fatherland with peace and order for their children.

If the opposition as a whole only had the same restraint, we believe it would help this effort--that is, if the government does not scorn this type of conduct.

In this circumstance, aware of our responsibility, we adopt a calm and conciliatory attitude on the internal political level and one of intransigent defense of Paraguayan sovereignty on the external level. This may not satisfy a faction of the opposition, as it will not satisfy part of the government, but insolent and irascible positions only favor the most negative sectors on both sides, which know how to thrive during sterile confrontations.

We stress our sincerity in making our demands because we do so without arrogance or timidity as is fitting of all good Paraguayans. May God, the All Powerful, guide the minds of those who are responsible for our nation, make its peace bountiful, make its democracy a true one and make its freedom complete.

Asuncion, 14 August 1978.
Joaquin A. Burgos, secretary general; Fulvio Hugo Celauro, president.

SEMANA LIBERAL FAULTS CARTER'S HUMAN RIGHTS POLICY

PY232036Y Asuncion SEMANA LIBERAL in Spanish 13-19 Aug 78 p 2 PY

[Unattributed article: "A Curious Policy"]

[Text] The United States interprets its human rights policy in a curious way. Let us define that policy. It is not an invention of Mr Carter's staff and we had not ceased struggling for human rights when Carter's policy came happily to the fore.

The fact that the United Nations proclaimed human rights in a universal declaration in 1948 tells us that those rights had already experienced a long period of germination and growth so all nations could reach an agreement. A theoretical agreement, to be sure, but an agreement nonetheless. In practice, human rights continued to be trampled underfoot on both sides of the iron curtain--in the American countries with conniving consent from the United States, whose imperialism was then based on the protection of strong governments to the impairment of the weak economies of their peoples.

Monroe's policy of the stick established the principle that America was the closed preserve of the Americans...of the north. Standard Oil, United Fruit and other enterprises became means of colonization. A policy of robbery then followed until it occurred to Kennedy to fertilize the farm with the Alliance for Progress. After that it all continued in the same way, until Latin America came of age, which compelled them to seek new methods.

Since the massive "family planning" campaign did not stop demographic growth, or economic growth, or the opening of new horizons for economic independence, something had to be done to keep the fertile farm within the grasp of the greedy consumer of the north.

Yankee America, having two liberal parties, the Democratic and the Republican, and an insignificant Socialist Party, then became the great protector of Central and South American socialism.

It came too late to save Allende from the CIA intrigues, but it permitted Castro to intervene in Africa with his mercenaries (since he could not do it on this continent).

So now all leftists end up in Washington. And something occurs which we have called curious: Washington becomes the third great center for spreading communism in Latin America, after Hamburg and Paris.

Suddenly any and all governments, whatever their orientation, are compelled to accept the communists, their less important minions the socialists and their neurotic intensification, the ultraleft.

Thus it comes about that after years of U.S. struggles for ideals of liberty against the tools of such an imperialist power as Soviet Russia--who strived for the overthrow of order through order itself and planned harsh slavery for our peoples which cannot be denied by anyone who reads, sees and knows--those same tools appear as champions of human rights.

There have been and fortunately there will continue to be free, courageous and upright men who have fought, are fighting and will continue fighting for the establishment of human rights. But it will not be the leftists who favor single parties, the execution wall, the merciless guerrilla, the hidden bomb, kidnapings, robberies and wanton murders.

In their usual and proverbial denseness, however, the Yankees mix everything in the same basket, and since the feverish and strident shouts of the agitators are more easily heard by their deaf ears, they complacently turn toward them and leave behind the true democrats, confused and offended.

In this way, under the flag of promotion of human rights, "Uncle Carter" intruded into the plantation, crushing useful sprouts under his boots and saving the weeds from extermination.

We do not deny that communists are human beings. We also do not deny that status to murderers, rapists, thieves or arsonists...but we isolate them from society. We make a distinction between a peaceful and honest man and a violent and cruel man.

We welcome respect for human dignity in all people, but we should not convert those people into champions of an institution they can exploit for purposes contrary to those originally intended.

Otherwise, Carter's vaunted policy will continue to be curious--curious because it is absurd, mistaken and harmful when it could have been something very noble if it had been unselfish.

THIRD UNDER SECRETARY APPOINTED IN FOREIGN MINISTRY

PY230326Y Asuncion ULTIMA HORA in Spanish 22 Aug 78 p 8 PY

[Text] By decree No 65, the executive branch today appointed Rodney Elpidio Acevedo as under secretary of foreign relations.

This appointment was made in line with the recent reorganization of the Foreign Ministry, which now has three under secretaries.

Efrain Dario Centurion is the under secretary of economic affairs. A few months ago Francisco Barreiro Maffiodo was appointed under secretary of foreign relations to replace Alberto Nogues, who was appointed foreign minister. Acevedo will end a long tour as Paraguayan ambassador in Madrid.

PRESIDENT MORALES TO PARTICIPATE IN STRIKE NEGOTIATIONS

PA230955Y Paris AFP in Spanish 0137 GMT 23 Aug 78 PA

[Excerpts] Lima, 22 Aug (AFP)--It was reported here today that Peruvian President Francisco Morales Bermudez will take a hand in attempts to settle a strike by 40,000 miners. The chief of state will receive in the government palace the representatives of the labor unions from the copper, iron, zinc and lead mines who went on strike 19 days ago. Negotiations at the Labor Ministry level were unsuccessful.

This evening some 10,000 miners, who arrived in Lima 2 weeks ago from the interior of the country, demonstrated in front of the Legislative Palace where the Constituent Assembly was in session.

Some Miners Return to Work

PY231453Y Lima Domestic Service in Spanish 1200 GMT 23 Aug 78 PY

[Text] Work began to return to normal as of daybreak yesterday in the country's principal mining centers.

The total complement of workers at the Caudalosa Grande and Chica, (?Pico de Loro) mines in Castro Virreyna Province and at the (?Austriaadubaz) company, have returned to work. Work is normal in Guajones. There is 30-percent worker attendance at Toquepala and 40 percent at CENTROMIN [Central Peruvian Mining Enterprise].

The Labor Ministry declared the strike began by the workers of Cerro Verde on 19 August illegal. Work is partial at this mining center.

Strike Leaders Arrested

PA230940Y Madrid EFE in Spanish 0342 GMT 23 Aug 78 PA

[Excerpt] Lima, 22 Aug (EFE)--Labor union sources reported today that 12 workers and leaders of the striking miners were arrested today following the suspension of constitutional guarantees decreed on Monday by the military government in the mining areas of the country.

A spokesman for the National Miners and Metallurgy Workers Federation told EFE that eight leaders and metallurgical workers were arrested in Ilo, located on the southern coast, and and another four in Cerro de Pasco, a mining area in the center of the country.

The spokesman said that in the mining areas where the government has imposed a state of emergency there is tension among the strikers due to the presence of civil guard tanks. According to the spokesman, the mining federation believes that the military government's decision has only made a solution to the labor conflict more difficult. It was also learned that a meeting between mining leaders and the energy and mines and labor ministers did not lead to an agreement.

BRIEFS

ZINC REFINERY PRODUCTION--The Cajamarquilla zinc refinery will show a 34-billion soles net profit during the next 20 years. The refinery will go into operation toward the end of 1980 and will process 199,000 metric tons of this mineral per year. [Lima Domestic Service in Spanish 1200 GMT 21 Aug 78 PY].

GOVERNMENT ISSUES COMMUNIQUE ON NICARAGUAN SITUATION

PA240413Y Buenos Aires LATIN in Spanish 0312 GMT 24 Aug 78 PA

[Excerpts] Caracas, 23 Aug (LATIN)--It was officially reported here this evening that the Nicaraguan guerrillas who yesterday seized the National Palace in Managua will be taken tomorrow to Panama and Venezuela aboard a Venezuelan Air Force plan along with an undetermined number of political prisoners.

The Venezuelan Government issued a communique this evening announcing that a Hercules C-130 airplane has left for Nicaragua, making a stopover in Panama, to pick up the leftist members of the Sandinist National Liberation Front.

The guerrillas and the political prisoners who the government of Anastasio Somoza agreed to free will go to Panama and Venezuela. They will be accompanied by the bishops and ambassadors who acted as mediators during the occupation in Managua yesterday.

The communique states that "in view of the serious situation in the Republic of Nicaragua, the cooperation of the government of Venezuela and those of other countries of the area has been requested. The communique does not say who requested the cooperation, but adds: "The national government, in accordance with its international policy in defense of human rights has gladly accepted the cooperation petition."

The C-130 airplane, which will remain in Panama tonight, will return tomorrow morning carrying "the political prisoners and the Sandinist commando unit which conducted the operation," the communique notes.

The Venezuelan Government's communique notes that all trips will take place "according to agreements reached by the Nicaraguan Government."

ANDEAN PACT PROPOSAL OPPOSED BY PRIVATE INDUSTRIALIST

PA240749Y Madrid EFE in Spanish 0020 GMT 24 Aug 78 PA

[Text] Caracas, 23 Aug (EFE)--Esteban Godayol Rovira, president of the Association of Metallurgical and Mining Industrialists of Venezuela, said today that the private sector does not agree with Venezuela's unconditional acceptance of the metallurgical and mechanical program of the Andean pact. He said that the country's metallurgical and mechanical industry has an installed production capactiy of 300,000 tons a year, which is three times the capacity of the other participants in the Cartagena agreement and "all this equipment will rust if we accept Proposal 89 as it is now written."

On previous occasions Development Minister Luis Alvarez Dominguez and Carlos Vogeler Rincones, president of the Association of Chambers of Commerce and Industry, have said that Proposal 89 discriminates against Venezuela. In this respect they said that the assignments granted to Venezuela do not offer any great benefits for the development of its metallurgical and mechanical industry since the majority of the important lines have been reassigned to other Andean pact countries. Godayol Rovira said that President Carlos Andres Perez' statements made in Bogota caused some consternation when he said that Venezuela would join the metallurgical and mechanical program at the end of the year without having conditioned Venezuela's participation to the acceptance of all of the industry's goals.

He added that setting a date for Venezuela's participation in the program undermines the position of the negotiators.

After emphasizing that a minimum condition for Venezuela's participation is a thorough analysis of the industrial sector involved, Godayol Rovira said that "we cannot sign before making an inventory of what we have and properly evaluating our capability. Otherwise many industries will be hurt." Finally, Godayol Rovira said that another indispensable condition is that of not purchasing machinery for making capital goods which are now produced or will be produced in the country, since it is necessary to take national production into consideration before assuming commitments.

TRADE INSTITUTE OFFICIAL DEFENDS ROLE OF TRANSNATIONALS

PA221424Y Caracas EL NACIONAL in Spanish 16 Aug 78 p D10 PA

["Valija Diplomatica" column by Nestor Moraj

[Excerpt] Transnational enterprises have much to contribute to developing countries, president of the Foreign Commerce Institute Reinaldo Figueredo said on his arrival in Lima to attend the 24th meeting of the Cartagena Accord Commission, which yesterday resumed its regular sessions for this year.

According to Figueredo, this contribution will depend on each country's economic policy and the system implemented to benefit fromt it economically, financially and technically. Figueredo also said that the high-level meeting held in Bogota has given the integration process a new impetus and has set dates for discussion of different industrial programs.

We were told at the Foreign Commerce Institute that Figueredo's statements on the transnationals coincide with one of the conclusions reached at a meeting to discuss the subject transnationals and the problems of Latin American integration held recently at the headquarters of the Cartagena Accord Commissions. The meeting was sponsored by the UN Commerce and Development Conference with the cooperation of the UN Transnational Enterprises Center, the Cartagena Accord Commission and the UN development program.

He said in conclusion that transnational enterprises have a very important role to play "in the way that they effectively contribute to fulfilling the objectives and goals established in the nation's development plans, through their technology, financing, management and international marketing.

MINISTER SAYS DEPENDENCE ON OIL REVENUE DIMINISHING

PA200103Y Caracas EL UNIVERSAL in Spanish 15 Aug 78 p 1 PA

[Text] Caracas (INNAC)--The strengthening and expansion of Venezuel's non-oil economic sector is rapidly diminishing our fiscal dependence on oil. Proof of this is the fact that for the first time since 1940 ordinary revenue allotted in the 1977 fiscal budget is 42 percent of the total amount of the estimated ordinary revenue, which is cited as 40 billion bolivares. [sentence as published] Finance Minister Luis Jose Silva Luongo made these statements yesterday while referring to the draft budget he presented to Congress more than 1 month ago.

[He said]: I am truly satisfied that the draft budget sent to Congress by the executive branch, along with the changes made by the Chamber of Deputies finance committee, fully complies with the objective of conscientiously drawing up a transitional budget; that is, one that will provide the new administration with a substantial amount of additional income. At this moment I can affirm that additional ordinary income will not amount to less than 2 billion bolivares this coming year.

FOREIGN SECRETARIAT DENIES RECEIVING SANDINIST REQUEST

PA230107Y Madrid EFE in Spanish 0044 GMT 23 Aug 78 PA

[Text] Mexico City, 22 Aug (EFE)--The Mexican Foreign Relations Secretariat today said that it has not received any official information regarding the Sandinist National Liberation Front (FSLN) request that political prisoners be sent to Mexico in exchange for the hostages at the National Palace in Managua.

A spokesman from the Foreign Relations Secretariat said that "so far, we do not have any information on the subject." In view of EFE insistence, he repeated: "Officially, we have nothing."

A guerrilla command which seized hundreds of hostages at the National Palace in Managua asked for $10 million and the release of 100 political prisoners, to be sent to Costa Rica, Panama, Venezuela and Mexico.

JERUSALEM RADIO REPORTS TERRORIST JIMENEZ KILLED

NC200918Y Jerusalem Domestic Service in Hebrew 0900 GMT 20 Aug 78 NC

[Text] The most wanted terrorist Carlos Jimenez Sarmiento has been killed in Mexico. He was the leader of an organization known as "the Communist League of 23 September."

The Mexican police, acting on a tip, set up an ambush and fired on Carlos' car. A woman accompanying him was also killed. Jimenez is allegedly responsible for the abduction of the Belgian ambassador's daughter in Mexico and for an attempt to abduct President Lopez Portillo's sister.

PCM DENOUNCES POLICE ACTIONS, DENIES JIMENEZ DEATH

PA231854Y Madrid EFE in Spanish 0356 GMT 23 Aug 78 PA

[Text] Mexico City, 22 Aug (EFE)--The Mexican Communist Party (PCM) today affirmed here that with its actions the police are sabotaging the political reform sponsored by President Jose Lopez Portillo's government.

PCM Secretary General Arnoldo Martinez Verdugo denied a police report according to which former guerrilla Carlos Jimenez Sarmiento had been killed. According to the official report, Jimenez Sarmiento died a few days ago in an armed clash with police.

Martinez Verdugo denounced the intense wave of repression that the "white brigade" antiguerrilla group--not officially recognized--is carrying out against former guerrillas. The communist leader commented that the statements made by general policy and Transit Director Arturo Durazo Moreno regarding a plot to kidnap him "surprise one for his candor and lack of imagination in making up falsehoods." Durazo Moreno announced yesterday that several high-ranking policy chiefs, himself included, have received death threats from so-called "extremists."

BRIEFS

PRC AGRICULTURAL MISSION--Mexico City, 16 Aug (AFP)--Seven experts from the PRC institute for research on corn have arrived here to exchange information with their Mexican colleagues. The delegation is headed by Chen Chi-wen. Liu Tiang-ying is its spokesman. It will spend 7 weeks visiting the Mexican countryside. Liu Tiang-ying said that among the recent improvements in corn cultivation attained by the PRC is a seed which in certain regions produces 7.5 tons of corn per hectare. [Paris AFP in Spanish 0234 GMT 17 Aug 78 PA]

PANAMA WILLING TO RECEIVE SANDINISTS, POLITICAL PRISONERS

PA221251Y Panama City ACAN in Spanish 1238 GMT 23 Aug 78 PA

[Text] Panama City, 23 Aug (ACAN-EFE)--A high-ranking Panamanian Government spokesman told this agency today, Wednesday, that Panama is willing to help Nicaragua in the crisis it has been confronting since yesterday by receiving political prisoners and the Sandinists who are holding thousands of persons hostage in Managua. Panama is even willing to provide the transportation for those political prisoners and guerrillas.

Among other things, the rebel command is demanding the transfer of a total of 100 political prisoners to Costa Rica, Mexico, Venezuela or Panama.

Panamanian Ambassador to Managua Carlos Manuel Boyd Arias is acting as a mediator between the guerrillas and Gen Anastasio Somoza's government. Both the hostages and the Sandinists today praised the mediating efforts being carried out by Boyd, his Costa Rican counterpart and the bishops seeking a final solution.

Plane Leaves for Nicaragua

PA240232Y Panama City Televisora Nacional in Spanish 0215 GMT 24 Aug 78 PA

[Text] Reliable sources told Televisora Nacional this evening that two airplanes, one a Panamanian Air Force plane, and the other a Venezuelan plane, will leave this evening for Managua to pick up and bring to Panama and Venezuela the group of Sandinist guerrillas who yesterday seized the National Palace of Nicaragua.

The announcement was confirmed this evening in Caracas. It was reported there that the Sandinist commandos and the prisoners released by the Nicaraguan Government will arrive in Venezuela at dawn tomorrow.

COSTA RICA'S PLN ADVISES TORRIJOS ON NEW PARTY

PA221736Y Panama City ACAN in Spanish 1643 GMT 22 Aug 78 PA

[Excerpts] Panama, 22 Aug (ACAN-EFE)--Leaders of the Social Democratic National Liberation Party [PLN] of Costa Rica have been in Panama since yesterday providing advice to the Democratic Revolutionary Party [PRD], the government party currently being formed. Luis Alberto Monge, former presidential candidate defeated by Rodrigo Carazo in the recent election, and Deputy Juan Carlos Fernandez arrived from San Jose for this purpose.

Plans to organize the PRD have existed for almost 10 years, but Gen Omar Torrijos' government has made them public only now, along with promises to democratize the regime which came to power after the 1968 military coup. Authorized spokesmen of the PLN--which is affiliated with the Socialist International--told ACAN-EFE in Costa Rica that Monge and Fernandez will meet with Torrijos and his advisers to brief them on the experience of the PLN, which ruled in Costa Rica up to this year. Monge is secretary general of the party, which is now in the opposition. He is considered one of its main ideologists.

A PLN spokesman said that General Torrijos had requested the PLN leadership's advice on the party's organization and internal operations in order to make use of it in the PRD.

According to reliable sources, the visit by Monge and Fernandez is only an initial one; they will be followed by other PLN leaders and chiefs of departments and sections. The former presidential candidate and deputy will return to San Jose on Wednesday.

The PLN's advice to the PRD had been known among political circles for several weeks, but only now has it come to light, becoming an open secret. There have also been rumors that efforts are being made to affiliate the PRD with the Socialist International.

The PRD will be officially established at the end of the year when the existence of political parties is legalized. However, its colors--red, blue and white, which are those of the flag--are already seen and recognized throughout the country.

ROYO COMMENTS ON OBJECTIVES OF POLITICAL PARTIES COMMISSION

PA2405417 Panama City Domestic Service in Spanish 2230 GMT 23 Aug 78 PA

[Text] The high-level commission that is going to establish the rules of the game for political parties today started to analyze the legal aspects that will serve as foundation for the final document on the structure of political parties.

The meeting between government officials and representatives of political groups which opened this morning at the Continental Hotel was presided over by Romulo Escobar Bethancourt. Spokesmen for the various political organizations referred to some of the issues to be discussed during the sessions, such as the number of members a party must have and the percentage of voters it must maintain.

Education Minister Aristides Royo, who represents the government at the high-level commission, explained how the working sessions are to be conducted and the objectives in legalizing the political parties. [Begin Royo recording] The answer is yes. The National Legislation Commission is going to legislate on political parties before 11 October so that it [presumably the legislation] can go into effect on that date or maybe at another date which the high-level commission could decide if necessary. There are two aspects to be considered: One concerns the National Legislation Commission and the other the 505 corregimiento representatives. One is the legal aspect and the other is the constitutional.

To answer your other question, there are no specific conditions in these discussions. The high-level commission is not establishing limits on what can or cannot be discussed. We are here to discuss the future law on political parties and the section of the Constitution which could be affected by it.

Parties Willing To Cooperate

PA2306237 Panama City Domestic Service in Spanish 2230 GMT 22 Aug 78 PA

[Text] A high-level commission to revalidate political parties will start functioning tomorrow. This is considered of great importance to the country's immediate political future. This commission was created in July by the government to discuss with representatives of all political forces in the country a new system for the operation of political parties. The commission is headed by Romulo Escobar Bethancourt, personal adviser to the chief of government, Education Minister Aristides Royo and Foreign Affairs Minister Nicolas Gonzales-Revilla.

Tomorrow's session opens at 1100 at the Continental Hotel with representatives from the Liberal Party, National Liberation Movement, Broad Front of Professionals, Laborite Agrarian Party and the People's Party or communist party of Panama.

This station interviewed the leaders of these political parties who expressed the willingness of their organizations to find solutions to political parties' activities in our country.

Renato Pereira, secretary general of the Broad Front of Professionals, said that his organization is willing to participate in building this new political era in Panama. [begin Pereira recording] Nothing is more natural for the Broad Front of Professionals than to participate in this commission because it feels that politics is the highest level of organization in any society. The Broad Front is only expressing its desire to participate in all national affairs and nothing could be more interesting than to work together with other political forces in trying to establish a broader democracy, a more popular one which undoubtedly will improve the general political conditions which the country is going through and which started with the military coup in 1968.

Our impression of the future, we dare say, is one of struggle. Two big forces are engaged in this struggle. One of these is in favor of progress and willing to overcome all obstacles in order to attain a prosperous, pluralist, democratic and progressive society and the other is irremediably clinging to the past. I am of the opinion that once the rules of the game are established all forces of public opinion will participate in the national debate and new lights will shine on the different options that the various sectors of our society are considering at present and will consider in the future. [end recording]

The Broad Front leader added that his organization will hold an open meeting at 1000 on 26 August and a national congress in October to study the possible constitution of the Broad Front into a political party.

Meanwhile, Jorge Ruben Rosas, leader of the National Liberation Movement, who together with Eduardo Valdes will represent that organization at the meeting with the commission, expressed his trust that these discussions will lead to the participation of the political parties in the country's life.

[Begin Rosas recording] We are participating in this meeting with an open mind and with the desire to find the path that will lead to and restore a representative democratic system of government founded on the three traditional branches: legislative, executive and judicial. The basis for their functioning cannot be other than their independent and harmonious action. Inspired by this national imperative of promptly returning to the democratic system of government, we are going to participate in this national event and cooperate in the most effective way to establish the foundations, so that political parties can function again and participate in the new processes that will lead to the implementation of the traditional system of government, the representative democratic system, which is common in countries composed of men and women of democratic spirit. [end recording].

On the other hand, David Samudio, president of the Liberal Party, talked mostly about the nation's economic situation. Samudio defended private enterprise and scored the government's economic policy. He added that the commission must solve political and not constitutional problems. [Begin Samudio recording] Let us hope we can reach satisfactory agreements that respond to the countries' expectations which consist of setting the Panamanian Government on a course of genuine representative democracy.

The serious problems the Panamanian nation is facing at this moment, especially economically, need to be analyzed. We must realize that our economic and social problems are due to a lack of confidence in the country. It is impossible to have an economy in which there is only public investments. It is necessary to have private investment. In a healthy and democratic economy, the proportion of private to public investment is more or less 3 to 2. If private enterprise does not invest its three parts, it means that the two parts invested by the government will not be sufficient to create the economic activity nor the number of jobs necessary to take care of employment and the population increase. However, it is useless to even think that promises alone will induce the private sector to invest, if we do not have the proper climate which allows capital, which at this moment is paralyzed or abroad to participate in our economic activities.

If we have an economy which is not properly protected by laws and the respect due to every investor, then the logical consequence is a tremendous lack of confidence and social unrest which can in no way permit us to work or seek our best interests. [end recording] Samudio reiterated his faith that the commission will reach solutions which will allow political parties to function.

Another speaker was Campo Elias Munoz, representative of the Laborite Agrarian Party. He expressed his party's willingness to participate in the meeting with the high-level commission. Munoz told Radio Libertad that on 24 July, the party's directorate accepted the invitation of top government officials to hold a dialog and draft a modern law for political parties.

[Begin Munoz recording] In my opinion, the party's unanimous decision to participate in this meeting resulted from the fact that all the members of the party's directorate are definitely convinced that our party can only function in a democratic system of government and that political power should be based on popular representation and the election of rulers through direct, universal voting so that the citizens are the ones who elect their candidates. All these are cornerstones of a democracy.

Although an election is the public's method of choosing rulers, some limitations on those elected are necessary. They should be elected for a definite period and the public should retain the right to remove their mandates. In other words, no one should seek to become a permanent ruler. The person elected should be in direct contact with those who elected him so that he cannot betray their aspirations. The Laborite Agrarian Party also believes that the system of political parties is necessary in a truly democratic system because it correctly indentifies the voters and their candidates. The parties also become mediators between the people and their representatives, so that the people will know for whom to vote through the political party. [end recording]

The Laborite Agrarian Party convincingly believes in a democratic system of government, the direct vote and political parties which are the proper means of representation to identify voters and candidates ideologically.

Carlos Francisco Chang Marin, leader of the People's Party and representative to the high-level commission, explained his party's position regarding the current situation in the country. The communist leader said that the People's Party supports the present revolutionary process and maintains its anti-imperialist position and its responsibility to the people. Chang Marin said that his party is willing to form a broad front with those political sectors that possess a clearly nationalist and anti-imperialist spirit and firmly support the country's current process. The communist party is seeking its legalization and whether it is legalized or not, it will continue to struggle on behalf of the dispossessed classes in the country.

[Begin Chang Marin recording] We are going to participate tomorrow in the high-level commission meeting that will initially discuss the problem of political parties in Panama. We will represent the People's Party, the party of Panamanian communists. In the first place, we must say that we do not know what is going to take place in tomorrow's meeting and we intend to listen to what is said and to exchange views with representatives of other political parties about the solution presented by the revolutionary process regarding the institutionalization of political parties as established in the 1972 Constitution.

We must say that the situation is a very interesting one. I do not think it should be considered a political opening, because, as we have said before, this democratic opening began with the revolutionary action taken in 1968, when the people participated directly for the first time in the execution of power in the National Assembly of Corregimiento representatives.

Some believe that a democratic opening is occurring when the representatives of past political groups claim that their political participation is necessary and that democracy can only be offered by the people who traditionally abused this country. We believe that democracy was limited then.

The previous republican democracy was nothing but a bourgeoisie democracy. The broad end of democracy in those days was held by the large property owners and representatives of U.S. interests and the narrow end was always held by the country's workers and the working intellectuals. That was the extent of democracy at that time. Its limitations consisted particularly of the freedom to secure the nation's commercial and industrial enterprises and their national bonds, especially with the United States, in a legal order that would safeguard their investments. The rest was just a fake democracy. Therefore, the people never knew true democracy.

Now that the country is experiencing a transition period we must have a new type of democracy unlike the one to which the vested interests in Panama are accustomed. We must have a new and limited democracy. What do we mean by limited? We believe that there must be political parties formed which support a program of decolonization in line with the Torrijos-Carter treaties. I cannot imagine how a party which believes that the Torrijos-Carter treaties are antipatriotic or are not in the people's interest can be part of Panama's institutional order.

I also believe that a new form of property has been created in this process: The state property and cooperative property. A new type of party must include in its program the defense of these two forms of property. I cannot understand why we are going to give, through this system, the enemies of Panama's development the means to destroy what has been achieved so far. In my opinion, that is not democracy, but a definite weakness in the process. We believe that only the parties that include in their program a democratic opening for international relations with all countries, particularly, with the countries of the socialist bloc--after learning from a Panamanian delegation that the markets of countries have been opened to us and they are interested in mutually beneficial trade--should be legalized. This will ensure the country's economic independence. Therefore, the program of the new political parties must include this type of solution to the nation's independence problem which began with the struggle of our people and culminated in the Torrijos-Carter treaties. [end recording]

Political observers believe that the inclusion of the People's Party in the high-level commission is implicit recognition of the role played by the communist in the country's political life and also an important step toward its legalization. The People's Party has been declared illegal since its founding in 1930.

The government's conditions for appointing the high-level commission stipulate that the parties created under the new regulations must primarily seek resolution of the country's socioeconomic problems. With the new plan, the government intends to abolish the old system used by traditional parties of big publicity campaigns and establishment of electoral machines to create public officials, neglecting the people of which they should be part and for whom they should work.

Meanwhile, the Panamenist Party, headed by Arnulfo Arias and composed of the most reactionary sectors in the country, said that it will not participate in the high-level commission's meetings and reiterated its goal of overthrowing the government.

COSTA RICA

CARAZO WILL NOT ATTEND CACM MEETING IN GUATEMALA

PA222002Y San Jose Radio Reloj in Spanish 1730 GMT 22 Aug 78 PA

[Text] The president of the republic, Rodrigo Carazo Odio, will not attend the meeting of Central American presidents that has been scheduled in order to discuss topics related to the Central American Common Market [CACM]. The meeting will be held in Guatemala at the end of August to seek solutions for the problem-stricken CACM. All chiefs of state of the isthmus were to attend. Carazo was very clear in telling newsmen that he will not attend the meeting because he has too many things to do here. It is not known yet who will represent Carazo at the meeting.

EL SALVADOR

ERP CLAIMS RESPONSIBILITY FOR KIDNAPING GROWER

PA231719Y Paris AFP in Spanish 0427 GMT 23 Aug 78 PA

[Text] San Salvador, 22 Aug (AFP)--It was learned here tonight that a clandestine group, the Revolutionary People's Army [ERP] has claimed responsibility here today for the kidnaping on 10 August of Armando Monedero, a wealthy farmer. Monedero was kidnaped by an ERP command outside his home in the city of Santa Ana, the country's second largest city, 74 km from the capital. The guerrillas killed Monedero's driver.

The ERP attached a picture of Monedero to a communique sent today to the newspapers and radio stations of San Salvador. The picture showed Monedero in front of a red flag with ERP initials in black letters. The guerrillas said that the farmer was kidnaped because he was a member of the Salvadoran bourgeosie which is closely linked to the National Conciliation (official) Party and member of a family "which exploits the poor."

The ERP has demanded the equivalent of $400,000 in Salvadoran currency as ransom. The money will be distributed among relatives of political prisoners, missing persons and those being tried by the courts. The ransom money, the ERP stated, would be managed by a commission made up of the president of the Salvadoran Red Cross, Santa Ana Bishop Msgr Benjamin Barrera y Reyes, San Salvador Archbishop Oscar Arnulfo Romero and a member of the Salvadoran Human Rights Commission. The commission will be in charge of drafting a list of missing persons and political prisoners. The kidnapers also demanded that Monedero's family pay for three ERP communiques signed by two guerrillas to be published in and announced through the country's newspapers and radio stations.

The first communique is issued by the ERP's national operations command. The second communique is signed by guerrilla Santos Lino Ramirez Menjivar and is addressed to the soldiers and policemen at the various military posts in the republic. Finally, the third message is testimony by guerrilla Ana Guadalupe Martinez, "former political prisoner of the dictatorship." The subversive group demanded that their communiques be published on the same day, but the exact date was not given.

GOVERNMENT REJECTS GUERRILLA MANIFESTO PUBLICATION

PA230938Y Panama City ACAN in Spanish 0049 GMT 23 Aug 78 PA

[Text] San Salvador, 22 Aug (ACAN-EFE)--The Salvadoran Government did not give permission to newspapers to publish a manifesto which the Armed Forces of National Resistance [FARN] demanded be printed in exchange for the release of a Swedish citizen kidnaped here.

The FARN asked the L.M. Ericsson telephone equipment company to publish the manifesto in several countries of the world, especially in El Salvador, in exchange for the freedom of Kjell Bjork, manager of that company in El Salvador.

In statements which Swedish Ambassador to Guatemala and El Salvador Arne Helleryd made over Radio Cadena YSU, he said that Ericsson did not obtain permission from the government to publish the manifesto. Today all Salvadoran newspapers published blank pages with the remark "space reserved for L.M. Ericsson." The ambassador said that he respects the government's decision and understood the reasons for the decision, but added: "Naturally, we regret the decision, while we understand and respect it."

"Our great hope is that the blank pages will be noted and that the kidnapers will understand that the telephone company made every effort to comply with the demand." The diplomat said that the communique had already been published in the Swedish and Japanese newspapers and that negotiations are under way to publish it in Venezuela, Mexico, Panama and the other Central American countries.

NICARAGUA

SIEGE AT NATIONAL PALACE NEARLY OVER

Somoza Agrees to Demands

PA240240Y Buenos Aires LATIN in Spanish 0144 GMT 24 Aug 78 PA

[By Agustin Fuentes]

[Text] Managua, 23 Aug (LATIN)--The government of President Anastasio Somoza tonight agreed to meet all the demands of a Sandinist group that has occupied the National Palace since yesterday and is holding hundreds of hostages. The government began meeting the demands of the guerrilla group, composed of 50 young persons with automatic weapons, by having "Radio Nacional" read three communiques.

The government reached the decision 4 hours before the deadline requested by the authorities to study the Sandinists' demands, which Somoza called an urgent cabinet meeting to consider.

Among the Sandinists' demands are amnesty for political prisoners, payment of a $10 million ransom and three aircraft so that the Sandinists in prison, the members of the command who are occupying the National Palace and the hostages can leave for Mexico, Venezuela and Panama.

The second communique gave the names of the Sandinists to be released and what flight they must take. Tomas Borges, the most important Sandinist in prison, and other guerrilas will fly to Panama. The group occupying the National Palace and the hostages will take the same plane. However, the plane is not to leave nor is the National Palace to be evacuated until arrival of the other two planes in Mexico and Venezuela with the Sandinists freed from prison and the delivery of the $10 million ransom are confirmed. The communique specifies that the planes carrying the Sandinists to Mexico and Venezuela must leave first, that the $10 million should be delivered to the mediator (whom it is believed will be Msgr Miguel Obando, archbishop of Managua). Of this amount, $1 million should be delivered to the Rigoberto Lopez Perez Command, which is occupying the National Palace. It also establishes that all the other conditions must be met, such as accepting all the demands of the hospital workers on strike, who are demanding a 50-percent wage increase. It also specifies that once the Sandinist command has proof that all conditions have been met, it will leave the National Palace with the hostages for Panama with the group of Sandinists released from prison, among whom is Tomas Borges Martinez, leader and founder of the extremist organization.

All the communiques are signed on behalf of the Sandinist National Liberation Front (FSLN) by Daniel Ortega Saavedra, his brother Humberto Ortega Saavedra and Victor Manuel Tirado Lopez (of Mexican descent).

One communique also carries a description of the struggles of the Nicaraguan people and FSLN, emphasizing the struggles carried out by the peasants, students and organized workers.

Somoza's decision was made soon after it was learned from the National Palace that the guerrillas were threatening to execute Francisco Angenial Papis and Enrique Sanchez, deputies of the official Liberal Party, in the event their demands were not met.

The communique calls on all of the combat units of the Sandinist front to remain alert "in view of the approaching struggle against Somozaism."

The third communique contains an analysis of what is described as "neo-Somozaism," describing the financial and capitalist sectors as seeking to preserve their interests, even to the point of reaching an agreement with the government. It also states that the FSLN struggle must seek to remove the Somoza family from power and eliminate the National Guard as an organization, incorporating into the new army only those military personnel who henceforth cooperate with Sandinist goals. The communique states that the departure of the planes with the money, the released Sandinist prisoners, the "Rigoberto Lopez Perez" Command and the hostages must take place tomorrow, Thursday, 24 August, from Las Mercedes Airport, with the ambassadors of Venezuela, Mexico, Costa Rica, Panama and Peru in attendance.

Sandinists Issue 'War Communique'

PA240250Y Managua Domestic Service in Spanish 0000 GMT 24 Aug 78 PA

[War communique No 1 to the people of Nicaragua and the world on operation "Death to Somozaism--Carlos Fonseca Amador," by the Rigoberto Lopez Perez Command--presumably read by announcer]

[Excerpt] The Rigoberto Lopez Perez Sandinist Command, on orders of the national leadership of the Sandinist National Liberation Front, FSLN, which is headed by Daniel Ortega Saavedra, Victor Tirado Lopez and Gilberto Ortega Saavedra, is staging the revolutionary operation "Death to Somozaism--Carlos Fonseca Amador" for the purpose of strengthening the Sandinist armed popular struggle, which since October of the past year has been waged by our working class of Indians, laborers, peasants, students and all honest and patriotic Nicaraguans throughout the country and which will not end until it destroys the bloody National Guard and the Somozist civilian clique, constructs a truly democratic and popular government supported by all the anti-Somoza sectors of the country and builds a true national army to replace the National Guard, an army which will involve those members of the National Guard who henceforth abandon Somozaism and support the Nicaraguan people's struggle for their liberation and for a popular democracy.

The Rigoberto Lopez Perez Sandinist Command warns the Somoza government that it will carry to its final consequences the mission given to this command by our national leadership. Any blood which is shed in the fulfillment of this noble and just mission will be the absolute responsibility of the Somozist clique which, in over 40 years of terrorist power, has caused over 30,000 deaths among our Nicaraguan brothers.

The Rigoberto Lopez Perez Sandinist Command hereby lists the conditions which must be met by the government for the hostages in our power to be released safe and sound.

1. General amnesty for all political prisoners imprisoned by the Somoza government in cities, towns, mountainous regions and any other parts of the country.

2. Immediate release from jail of the list of prisoners attached to this war bulletin, who should be flown to the following countries: Venezuela, Panama, and Mexico.

3. Publicizing in all written news media, LA PRENSA, NOVEDADES, and EL CENTRO AMERICANO, over all the country's radio stations in network, and over a television network during all the days of the operation, of this war communique and of the communique which our national leadership has addressed to the people of Nicaragua, as well as the communique on neo-Somozaism. In written news media such as LA PRENSA, NOVEDADES, and EL CENTRO AMERICANO, the written documents must be printed in 8 columns with clear lettering, and must appear on the front pages of said newspapers. Radio and television media must read the Sandinist documents in a clear and measured voice three times a day at 0600, 1200 and 1800, during the days required for completion of operation "Death to Somozaism--Carlos Fonseca Amador."

4. Complete removal of National Guardsmen or plainclothesmen from within 300 mm around this building. Failure to comply with this point will lead to immediate execution of any hostages in our control.

5. Immediate acceptance of the requests of the health (?sector), guaranteeing by decree the immediate acceptance of requests of the hospital labor union.

6. The Somoza government and the Somoza family must turn over to the FSLN the sum of $10 million in the manner which we will specify through the intermediaries agreed upon by this commando and the Somoza government. Each step of the negotiation with regard to this point must be revealed to the public through the country's communications media. This sum must be distributed as we will specify in detail through intermediaries in the following countries: Venezuela, Panama, Mexico, Cuba, Costa Rica and Nicaragua. In the case of our fatherland, Nicaragua, $1 million in cash must be turned over to the Rigoberto Lopez Perez Command.

7. Absolute guarantees that once this operation is completed by the compliance of the foregoing demands, this command will be allowed to travel by air to the sister republic of Panama. The conditions for meeting this demand will be made known by this squad through the chosen intermediary.

Long live the popular Sandinist insurrection!

Long live unity of all the people!

The National Guard and Somozaism will be defeated by the people!

A free fatherland or death!

[Signed] General Staff of the Rigoberto Lopez Perez Sandinist squad, National Palace, Managua, D.N. [National District], 22 August 1978.

We warn all Sandinist popular militias and all combat units to be on the alert to respond to any repressive act, striking hard at the enemy.

The Sandinist squad will leave for Panama by plane as soon as it is confirmed, by means of a pronouncement by the aforementioned countries, that the prisoners and the money have arrived and all demands have been met.

Three airplanes are required: A. One for prisoners being taken to Mexico; B. One for prisoners being taken to Venezuela and C. One for prisoners being taken to Panama.

Cero Reduces Ransom Demand

PA240525Y Panama City ACAN in Spanish 0500 GMT 24 Aug 78 PA

[Excerpt] Panama City, 23 Aug (ACAN-EFE)--Commander "Cero" has said that they will only collect $500,000 ransom from Anastasio Somoza's government for freeing the hostages. "We have lost money. The military operation cost more than that amount, but we have won in every other respect," "Cero" told ACAN-EFE in a telephone cor sation from Managua.

Government Allows Communique Broadcast

OW2410282Y Paris AFP in English 1011 GMT 24 Aug 78 OW

[Text] Guatemala City, 24 Aug (AFP)--The Nicaraguan Government satisfied one demand of the commandos by allowing a 75-minute communique of theirs to be broadcast by national radio yesterday at 6 p.m. and 10 p.m. local time. The Sandinist statement included an appeal for the National Guard (Nicaraguan army) to rebel against the Somoza regime. Radio headquarters told newsmen phoning from Madrid that the communique would be broadcast again today at 6 a.m. (1200 GMT) and published in three newspapers.

Casualties Reported

PA232344Y Panama City ACAN in Spanish 2326 GMT 23 Aug 78 PA

[Text] Panama City, 23 Aug (ACAN-EFE)--Rafael Oliverio Cano, Nicaraguan secretary of press and information, today told ACAN-EFE by telephone that five military men and two civilians were killed during the Sandinist assault on the National Palace in Managua, where Congress and several ministries are located. Cano added that 14 persons have been wounded.

Links to Castro Charged

PA241745Y Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 23 Aug 78 PY

[Excerpts] [Begin Nicaraguan Foreign Minister Julio C. Quintana recording] I am deeply saddened by what is happening in Nicaragua, by this terrorist attack on the National Palace. This is real proof that communist subversion is taking hold. In 1974 we experienced a massive kidnaping during a reception honoring the U.S. ambassador, at the home of (Jose Maria Castillo). We know that this action is inspired by Fidel Castro, who in arming them with the money taken to Havana by these subversives who were released from Nicaragua and then returned one by one. These are the people who have been carrying out subversive action throughout our territory from time to time. Their extreme cruelty does not respect political ideology and they carry out [word indistinct] kidnaping solely to create unrest and ultimately to establish--let us hope not--a Marxist government.

Cuban Aid Denied

PA232007Y Madrid EFE in Spanish 1959 GMT 23 Aug 78 PA

[Text] Havana, 23 Aug (EFE)--A representative of the Nicaraguan Sandinist National Liberation Front (FSLN) in Cuba told EFE here today that the attack on the National Palace in Managua was being planned for the past 2 years.

The spokesman added that he understood that it would be staged in the next few months and that, because of difficulties in communication between Sandinists residing here and guerrillas operating in Nicaragua, he did not know why it had been advanced.

The same source, who did not give his name, said that the Somoza government statements that Cuba is giving the Nicaraguan guerrillas military aid are entirely false. He said: "The olive drab uniforms used by the command unit that attacked the National Palace have nothing to do with the uniforms of the Cuban Revolutionary Armed Forces (FAR)." According to the FSLN spokesman, the uniforms are those of the Somozist militia, many of them given to the Sandinists by bribed officers. He added that arms also come from government sources or are purchased in neighboring countries or on the international market.

The FSLN has had representatives in Cuba since 1973, and its latest known chief, Jose Benito Escobar, left Havana at the beginning of this year and was killed in an encounter with the Nicaraguan National Guard in Esteli, last July. Other guerrilla representatives here left for Nicaragua recently with their current whereabouts being unknown.

FSLN Leader Tentatively Identified

PA231933Y Buenos Aires LATIN in Spanish 1915 GMT 23 Aug 78 PA

[Text] San Jose, Costa Rica, 23 Aug (LATIN)--The chief of the Sandinist commando unit that continues to occupy the National Palace in Managua could be Costa Rican Plutarco Hernandez, who was recently pardoned in this country, it was revealed here today in local journalistic circles. Plutarco Hernandez is known in the Sandinist National Liberation Front (FSLN) as Commander Cero, and the chief of the guerrilla commando unit in Managua is being called that, the sources said.

Plutarco Hernandez, one of the main leaders of the FSLN, was held at the San Jose penitentiary after being arrested several months ago when Costa Rican border authorities discovered a clandestine "firing range" near the Nicaraguan border. After he was granted his freedom by means of a pardon, the local press reported, he traveled to Nicaragua to rejoin the struggle against President Anastasio Somoza's government.

Third Leader Possibly Identified

PA231819Y San Jose Radio Monumental in Spanish 1720 GMT 23 Aug 78 PA

[Text] A lawyer and university professor, Dr Nora Astorga de Jenkins, could be the third person in command of the Sandinists commando unit that seized the National Palace in Managua. The description that has been given of Dos, the commander of a contingent of 20 guerrillas who executed the operation at the Nicaraguan Congress, fits Dr Astorga de Jenkins. It was this woman who set up an ambush at the home of Gen Reinaldo Perez Vega, alias El Perro, who was shot to death following prolonged torturing by Sandnists, last January. This would be the first time that a woman has assumed an important command position in Sandinist guerrilla operations.

Opposition Leaders Reportedly Arrested

PA232231Y Paris AFP in Spanish 2136 GMT 23 Aug 78 PA

[Excerpts] Managua, 23 Aug (AFP)--Several important Nicaraguan opposition leaders were arrested today while the country experienced hours of acute tension because of the takeover of the National Palace by a Sandinist unit.

It was reported that Social Christian leader Cesar Delgadillo was arrested in Managua, while Conservative leader Santiago Rivas was arrested in Matagalpa, 120 km north of Managua. Apparently, the arrests result from the fear that political groups will take advantage of the tense situation to press their demands.

Police Disperse Student Demonstrations

PA240325Y Buenos Aires LATIN in Spanish 0314 GMT 24 Aug 78 PA

[Text] Managua, 23 Aug (LATIN)--Police sources have announced that this evening the police fired shots into the air to disperse groups of students who had erected barricades in a southeast Managua area and started bonfires on the outskirts of Cristobal Colon and Andres Bello schools.

Hospital Strike Continues

PA231952Y San Jose Cadena de Emisoras Columbia in Spanish 1730 GMT 23 Aug 78 PA

[Report from Managua by Managua's Radio Corporacion News Director Jose Esteban Quezada]

[Excerpt] A hospital strike, which the government thought was over yesterday, after a 16-percent wage increase had been granted to the workers who had been demanding a 50-percent increase, has apparently taken second place in view of the Sandinists' seizure of the National Palace. Still, although not occupying first place in national attention, the hospital strike continues.

BRIEFS

NICARAGUAN OIL IMPORTS--Nicaragua's petroleum imports are so high that they absorb the foreign exchange received from the export of beef, lobster and shrimp. According to the Central Bank, Nicaragua imported $80 million dollars' worth of petroleum last year, which is one-sixth of the 1978 budget. Petroleum imports for this year are expected to rise to $100 million. [Managua NOVEDADES in Spanish 13 Aug 78 p 21 PA]

JUAN BOSCH DENOUNCES U.S. INTERFERENCE, MANIPULATION

PA210325Y Paris AFP in Spanish 0049 GMT 21 Aug 78 PA

[Text] Santo Domingo, 20 Aug, (AFP)--Former President Juan Bosch said today that Joaquin Balaguer "is not president because of U.S. intervention." He added that "we cannot believe that the United States has changed its policy or methods of action." The president of the Dominican Liberation Party [PLD] said during a television appearance that "it is the U.S. Government that is now substituting for the ruling class that we did not have." Bosch implied that the United States sent Gen Dennis P. McAuliffe from the Caribbean Military Command headquarters in Panama to Santo Domingo to influence the military changes adopted by President Antonio Guzman.

Bosch said that "use has been made here of the military power that is hidden under the disguise of human rights" and that President Jimmy Carter "practices a method which hides and makes unnecessary the use of massive military force." He added that one of the things which does not permit the formation of a ruling class "is precisely U.S. intervention. Every time there is a crisis the United States takes command, gives orders and makes political policy."

The statesman and writer noted that the Dominican economic classes, which differ from the ruling class, "live in fear. They are very fearful of power, of the government, and do not dare to face the state's problems. They believe it is similar to grabbing a tiger by the tail, and they do not develop the capacity or the courage to do it because U.S. power does not give them the power to do so," concluded Bosch.

GUZMAN ANNOUNCES 'IMPORTANT' POST FOR MIDA LEADER

PL212248Y Santo Domingo Domestic Service in Spanish 2230 GMT 21 Aug 78 FL

[Text] The president of the republic, Antonio Guzman Fernandez, reported at noon today that Lic Francisco Augusto Lora has accepted an important position in the foreign service. Before the chief executive made the announcement (?in connection) with his conciliatory effort, it was reported that the Democratic Integration Movement--MIDA--President [Lora] would be appointed Dominican ambassador to Washington. According to the constitution of the republic, his appointment must be confirmed by the Senate.

VILLALON NAMED AS NEW FOREIGN UNDER SECRETARY

PL221024Y Santo Domingo Domestic Service in Spanish 1000 GMT 22 Aug 78 FL

[Text] President Antonio Guzman Fernandez has appointed Dr Francisco A. Campos Villalon under secretary of state for foreign relations. Campos Villalon's appointment is contained in decree No 62.

PRD MEMBERS UNEASY OVER GUZMAN APPOINTMENTS FOR RELATIVES

PA231650Y Madrid EFE in Spanish 0218 GMT 23 Aug 78 PA

[Text] Santo Domingo, 22 Aug (EFE)--Only 6 days after taking office, President Antonio Guzman has been criticized for appointing relatives to government posts.

Some members of the Dominican Revolutionary Party (PRD) have expressed their concern and uneasiness at the same time that [words indistinct] over the president's appointments.

Guzman has appointed Jose Maria Hernandez, his son-in-law, as administrative minister of the presidency; Sonia Guzman de Hernandez, his daughter, as secretary of the ministry that her husband heads; [name indistinct] Guzman de Perez, his sister, as librarian of the National Palace; and her husband, Adolfo Perez Ramirez, as director of the National Housing Institute.

Federico Sanabia Guzman, the president's nephew, was appointed as personal aide, and Frida Aybar de Sanabia, his nephew's wife, was appointed administrator of the Assistance and Housing Institute.

Bolder persons have made comparisons between former President Balaguer and his sisters and Guzman and his family. They have complained that "the president has formed his inner ring" just as former President Balaguer did with his closest aides.

Sonia Guzman de Hernandez, the president's daughter, said that the issue is not important because "one cannot deprive the country of the assistance of close relatives of the president. Besides, the president cannot be blamed for having a talented family."

CAMPAIGN TO REMOVE MILITARY FROM POLITICS BEGINS

PA240752Y Madrid EFE in Spanish 0004 GMT 24 Aug 78 PA

[Text] Santo Domingo, 23 Aug, (EFE)--President Antonio Guzman has instructed the armed forces minister to send commissions of officers to garrisons throughout the republic to remind and urge the armed forces that the constitution obliges them to stay out of politics. In response to the president's order, Lt Gen Adriano Valdez Hilario has decided to form mixed commissions to tour the country to talk with soldiers and policemen about the process of removing the military forces from politics.

Recently, there have been reports of friction among some military commanders in rural posts who have apprehended leaders of the ruling Dominican Revolutionary Party [PRD], and the apparent distrust of the new civilian officials appointed by President Guzman in several provincial governments.

RULING PARTY CONTINUES TALKS ON NATIONAL ECONOMY

FL221325Y Georgetown SUNDAY CHRONICLE in English 13 Aug 78 p 32 FL

[By George Baird]

[Excerpts] The ruling People's National Congress [PNC] yesterday continued for the second day vital discussions on the national economy and examining in detail ways and means of increasing production and productivity to meet the harsh International Monetary Fund targets.

Meeting at the level of General Council, the main forum outside of Congress, ministers of the government, parliamentarians and other activists were collaborating with chairmen and general managers of corporations on steps to be taken to meet the targets outlined by Prime Minister Forbes Burnham last week.

The prime minister opened the discussions with a statement on the economy and again mentioned the need to wipe out corruption as a measure to help achieve the objectives.

Announcing the conclusion of negotiations for the one-year stand-by arrangement between Guyana and the IMF, the prime minister said the agreement was based on the following targets:

That the economy grows in real terms by a minimum of five per cent, that is that we must produce an additional physical output in all sectors of the economy so that when added the total output is five per cent more than in 1977.

That the current account gap of the balance-of-payments be narrowed to 10 per cent of the gross national product in 1978 from one of 23 per cent in 1977 and 32 per cent in 1976.

That the surplus generated in the public sector be increased from $76 million in 1977 to $130 million in 1978.

That the arrears into which commercial credit has fallen be reduced from $100 million at the beginning of 1978 to $75 million at the end of 1978 while, at the same time, the gross foreign assets of the Bank of Guyana be increased from its level of $60 million at the beginning of 1978 to $100 million at the end of the year.

The prime minister had pointed out that the targets were achievable but require a high level of economic performance with exports increasing and imports reduced.

Mobilising savings, improved management of our resources, a very high sense of national discipline and the realisation of the government and people that "we are fighting for survival and progress" were all part of the recipe to achieve the targets, according to the prime minister.

That protracted session which started mid-afternoon on Friday was still in progress late yesterday at the Sophia Auditorium.

General Council began Friday morning with a review of the referendum campaign and the prime minister outlined the task ahead for the party as it prepares for the constituent assembly and the elections to follow.

The three-day meeting is expected to end tonight.

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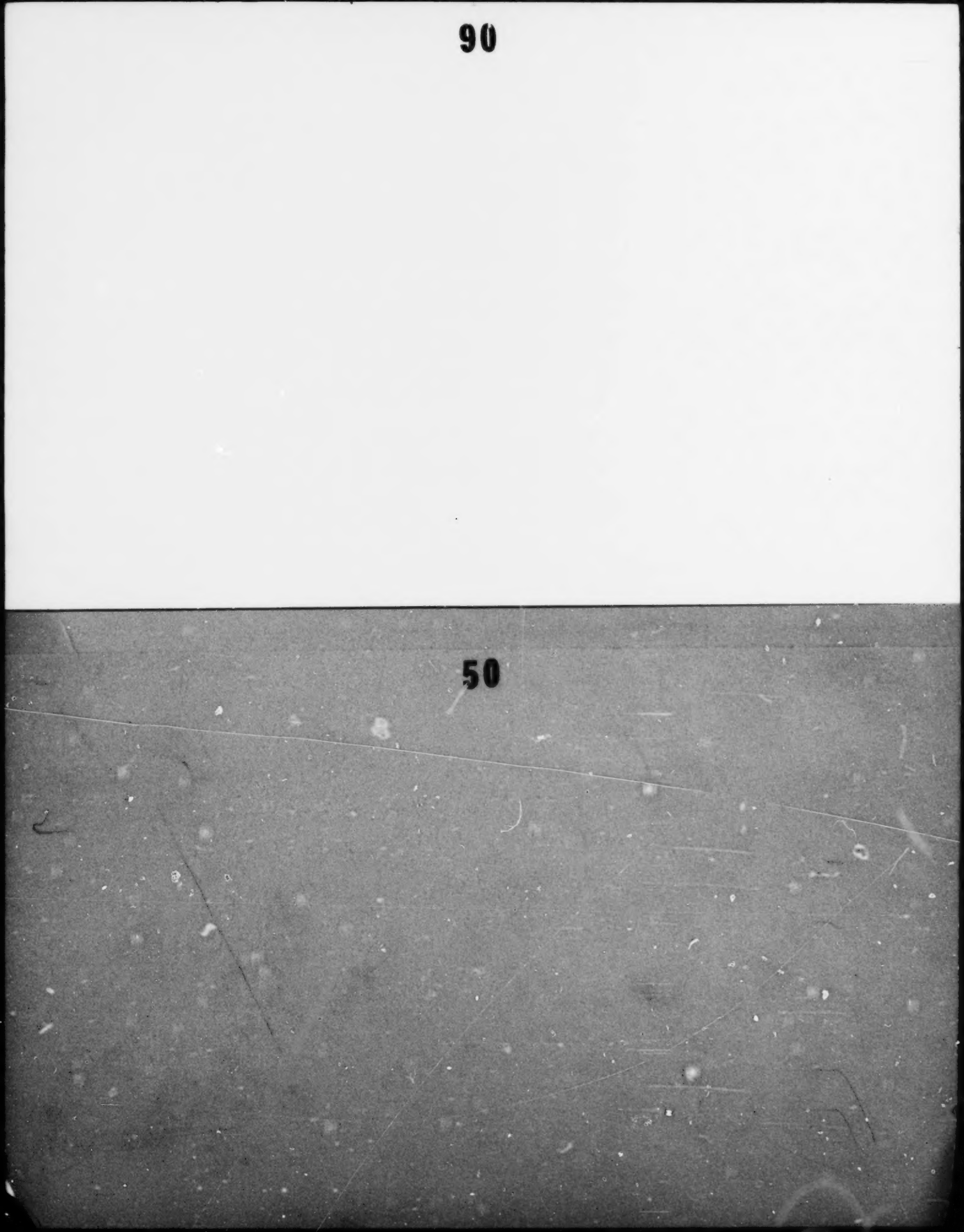
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